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CRAIG, A. *Primer of industry*. (New York: World Book Co. 1912. Pp. 80. 30c.)

TANNER, A. E. *Tobacco from the grower to the smoker*. Pitman's common commodities of commerce. (New York: Pitman. 1912. Pp. 118. 1s. 6d.)

WACHENFELD, H. *Die deutsch-englische Frage unter besonderer Berücksichtigung der Eisenindustrie*. (Lübeck: M. Schmidt. 1912. Pp. 47. 0.60 m.)

————— *The American lumber industry. Official report, 10th annual convention of the National Lumber Manufacturers' Association*. (Chicago: Leonard Bronson, Stock Exchange Bldg. 1912. Pp. 238. \$1.)

————— *Die Schwereisenindustrie im deutschen Zollgebiet, ihre Entwicklung und ihre Arbeiter*. (Stuttgart: A. Schlicke. 1912. Pp. xiv, 631. 7.50 m.)

————— *I, Zuckerindustrie. II, Spiritusindustrie*. Verhandlungen der vom K. K. Handelsministerium veranstalteten Kartellenquete. (Vienna: Hof- und Staatsdruckerei. 1912. Pp. iii, 193; iii, 163. 2.50 m. each.)

Transportation and Communication

The American Transportation Question. By SAMUEL O. DUNN. (New York: D. Appleton and Company. 1912. Pp. xi, 289, vii. \$1.50.)

A great change has taken place in the last ten years in the tone of books devoted to the transportation question. In the period of the seventies, eighties, and nineties, this literature, with few exceptions, had a distinct point to emphasize of a partisan character. The object of the earlier controversy has now been conceded, however, by all parties to the discussion; and no longer is the authority of the state to regulate or even to own the railroads, if it be deemed wise, questioned. This is a great gain in the movement toward constructive legislation. Then authors advocated; now they are content to discuss problems, trying to answer the question of how to deal with them in the wisest way. It is to this class of books that the one under review belongs. It is distinctly a helpful book. As becomes a man who has edited a journal devoted to railway matters, Mr. Dunn argues, and generally conclusively, for a larger and saner attitude toward the regulation of railways. He says in the last chapter of the book,

"To make government regulation of railroads fair and successful, the faulty state on the side of the reactionary that would fall short of, and the faulty state on the side of the radical, that would exceed, what is right must equally be avoided. No right of the public should be left unprotected. But no restriction or burden that the protection of the rights of the public does not clearly require should be placed on the railroad." This is the thesis of the book. The twelve chapters deal with rate-making, discrimination, valuation and profits, efficiency, railways and waterways, and government regulation.

While accepting the principle of what the traffic will bear, Mr. Dunn frankly admits that it is subject to limitation; the rate should be determined between the value of service to the shipper and the additional cost to the railway. The difference between this view and the usual one is the recognition that cost is and must be one of the factors in determining rates, but it is the minimum factor as against the maximum one, the value of the service. The outcome of the author's position is that there must be discrimination in rates involving the problem of when such discrimination is fair and what returns a railroad should have in order that it may give good and adequate service. It follows that all classification is discrimination, and discrimination between places is often forced by economic conditions over which the railroad has no power. As to discrimination between persons the author invokes wider authority for the Interstate Commerce Commission in making minimum rates, and calls attention to the fact that the railroad is often forced into discrimination which it would not willingly commit.

Mr. Dunn rejects as unsatisfactory the various methods of determining the relation of valuation and profits, suggesting in turn the earning of fair rates on total value, including the physical value and the utility of the road to the public. This is, of course, the controversy at issue. How long shall railroads be permitted to capitalize the growth of value made by community development? The statement that they should have the same chances and profits as other private enterprises, is the thing the public has had most feeling about; and involves the definition of public and private business. It would be a wrong inference to suggest that Mr. Dunn looks at the matter wholly from a railroad point of view, but, as in other departments of business, there must be left some incentive

for managers of railroads to work for. Efficiency is more likely to be produced by giving the railroads latitude under such legislation as may be passed, than by holding them to maximum earnings and minimum rates.

In pointing out the difference between the canal service of Europe and the possible use of rivers in America, the author has checked any hasty generalizations that may be made on the use of waterways in America. In Europe the rivers flow in the same direction as the movement of commerce, and freight rates are higher than on our railroads. A big question arises as to the value of expenditures when commerce is not likely to use the improvements if made.

Each chapter indicates care regarding facts and statement of argument; the book is distinctly sane, and shows the railway view at its best.

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Railway Transportation. A History of its Economics and its Relation to the State. By CHARLES LEE RAPER. (New York: G. P. Putnam's Sons. 1912. Pp. 331. \$1.50.)

Professor Raper states in his preface that the chief purpose of his book is to revise and enlarge Hadley's work on *Railroad Transportation*. As was inevitable, however, in bringing to date a book written twenty-seven years ago, the material added has greatly exceeded in quantity the original text. Also considerable portions have been omitted, and all has been rewritten; the final product is essentially new. A comparison between the treatises of President Hadley and Professor Raper shows that both contain concise and systematic accounts of the development of railroads in Europe and in the United States, both agree closely in their discussion of events prior to 1885, and both are critical of the results of public ownership. Summarizing his conclusions after a review of European experience, Professor Raper declares that government operation in general has not paid its way, has not supplied either particularly cheap or excellent service, and is not needed in Great Britain or in the United States to supply a lack of railway facilities or to correct the abuses of private management. Hadley's position a generation before had been substantially the same. On the other hand, Professor Raper has given us a much fuller discussion of